

OFFICIAL FILE
ILLINOIS COMMERCE COMMISSION
STATE OF ILLINOIS

ORIGINAL

ILLINOIS COMMERCE COMMISSION

In the matter of the application of ATMOS
ENERGY CORPORATION, for an order
approving the implementation of a
universal shelf registration pursuant to
Section 6-102 of the Public Utility Act

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Docket No.

06-0579

CHIEF CLERK'S OFFICE

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ILLINOIS
COMMERCE COMMISSION

**APPLICATION FOR APPROVAL OF A
UNIVERSAL SHELF REGISTRATION**

To the Illinois Commerce Commission:

Atmos Energy Corporation (hereinafter sometimes referred to as "Petitioner" or
"Company") respectfully states as follows:

1. Petitioner is a corporation duly organized and existing under and by virtue
of the laws of the State of Texas and the Commonwealth of Virginia, with its principal
office and place of business located at 1800 Three Lincoln Centre, 5430 LBJ Freeway,
Dallas, Texas 75240. Petitioner is a public utility within the meaning of the Public
Utilities Act of Illinois and is engaged in the business of distributing and selling natural
gas in Central and Southern Illinois, at various farm taps in Central Illinois, and in various
municipalities in the States of Georgia, Tennessee, Virginia, Missouri, Mississippi, Iowa,
Kansas, Texas, Louisiana, Colorado and Kentucky.

2. Petitioner will file a registration statement with the Securities and
Exchange Commission (SEC) for a nine hundred million dollar (\$900,000,000) universal
shelf registration for senior debt securities, hybrid securities and/or common stock. The
registration statement will be included as a late filed exhibit in this docket. A universal
shelf registration would allow Petitioner to offer senior debt securities, shares of its
common stock (without par value) and/or hybrid securities (explained more fully
hereinbelow) at prices and terms to be determined at the time of sale. A period of three

years for issuances under such a registration statement is currently the term of an SEC shelf filing. The securities may be issued in one or more series of issuances. Petitioner may sell the securities to or through underwriters, dealers or agents, or directly to one or more purchasers.

3. The authority as granted by order dated July 26, 2006, in Docket No. 06-0368 for \$401,500,000 to be used exclusively for issuance of long-term debt will be superseded by this filing.

4. The \$900,000,000 of requested authority will be split among senior debt, hybrid securities and equity. The hybrid securities which may be issued under the universal shelf are securities which have some characteristics of debt, such as tax deductible interest payments, and many equity-like characteristics, such as very long maturities, deferrable interest payments and deep subordination relative to the Company's other obligations. As a result, the credit rating agencies treat these securities as if they are a combination of debt and common equity. The Company intends to issue no more than \$400,000,000 of hybrid securities. The issuance of the hybrid securities will be structured such that the rating agencies would consider them to be at least 50% equity. The Company intends to issue no more than \$300,000,000 of senior debt, with the remaining \$200,000,000 of securities to be issued as common equity.

5. The universal shelf registration would provide the Company with greater flexibility in its financing options. The net proceeds may be used for one or more of the following purposes: for the refinancing of approximately \$300 million of the Company's floating rate notes due October 2007 (callable at par beginning April 2006); for the refinancing of approximately \$10 million of the Company's 10.43% first mortgage bonds (callable in 2007), plus any required prepayment premium; refinancing of approximately \$350 million of the Company's 7 3/8% notes due 2011, plus any required prepayment

premium; for refunding of additional higher coupon long-term debt as market conditions permit; the purchase, acquisition and construction of additional properties, as well as improvements to the Petitioner's existing utility plant; and for general corporate purposes defined as other utility expenditures in the normal course of business.

6. Petitioner cannot currently state how the \$900,000,000 will be divided among debt, hybrid and equity securities. Paragraph 4 indicates the Company's current intention. Petitioner's goal is to continue to bring its debt to capitalization ratio closer to its 50-55% target range over the next few years as stated in its financing application filed in Docket No. 04-0480 and restated in its application filed in Docket No. 06-0368, and Petitioner does not plan to implement the universal shelf registration subject of this application in a manner that would materially change such target range. However, Petitioner believes that it is important to maintain the flexibility necessary to allow it to utilize the most favorable financing option available at a particular time.

7. Petitioner further represents that the universal shelf registration, as described herein, will be beneficial to Petitioner and to its services to its customers and that the public will be inconvenienced thereby.

8. Petitioner requests that the remaining universal shelf authority granted to Petitioner in Docket No. 06-0368 be superseded upon the issuance of an order by the Commission approving the universal shelf registration subject of this application.

9. Petitioner represents that it has taken, or will take, all corporate action necessary to authorize the universal shelf registration. Attached hereto as Exhibit F is a true and correct copy of a resolution adopted on February 8, 2006, by the Board of Directors of the Company authorizing the universal shelf registration.

10. Attached hereto and made a part hereof are the following Exhibits:

Exhibit A – Statement of Financial Condition

Exhibit B – Balance Sheet

Exhibit C – Pro Forma Income Statement

Exhibit D – Pro Forma Balance Sheet

Exhibit E – Statement of Actual and Pro Forma Capitalization Ratios

Exhibit F – Board of Directors Resolution

Exhibit G – Percentage of Gross Plant by State

Exhibit H – Estimated Expenses

Exhibit I – Fee Calculation

Exhibit J – Registration Statement (late filed)

Exhibit K – Testimony of Laurie Sherwood

WHEREFORE, Petitioner requests that the Commission will, after hearing, enter an appropriate order or orders:

- A. Approving the \$900,000,000 universal shelf registration of Petitioner as described herein for three (3) years from issuance of a final order.
- B. Terminating the remaining universal shelf authority granted to Petitioner in Docket No. 06-0368 upon the effective date approval of the universal shelf registration that is subject of this application.
- C. Granting to Petitioner such other, further and different relief in the premises as the Commission may deem appropriate.

Respectfully submitted this 23 day of August, 2006.

ATMOS ENERGY CORPORATION

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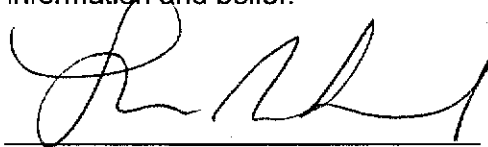
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VERIFICATION

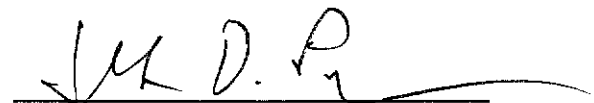
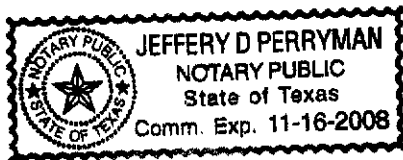
STATE OF TEXAS §
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COUNTY OF DALLAS §

The undersigned, being under oath, says that she is the Vice President and Treasurer of Atmos Energy Corporation, Petitioner named in the above and foregoing Application, that she has read said Application, knows the contents thereof and that the same is true to the best of her personal knowledge, information and belief.



Laurie M. Sherwood
Vice President and Treasurer
Atmos Energy Corporation

Signed and sworn to before me this 15 day of August, 2006, by Laurie M. Sherwood, as Vice President and Treasurer of Atmos Energy Corporation, on behalf of said corporation.



Notary Public, State of Texas